

1967

Industrial Resources: Pike County - Pikeville

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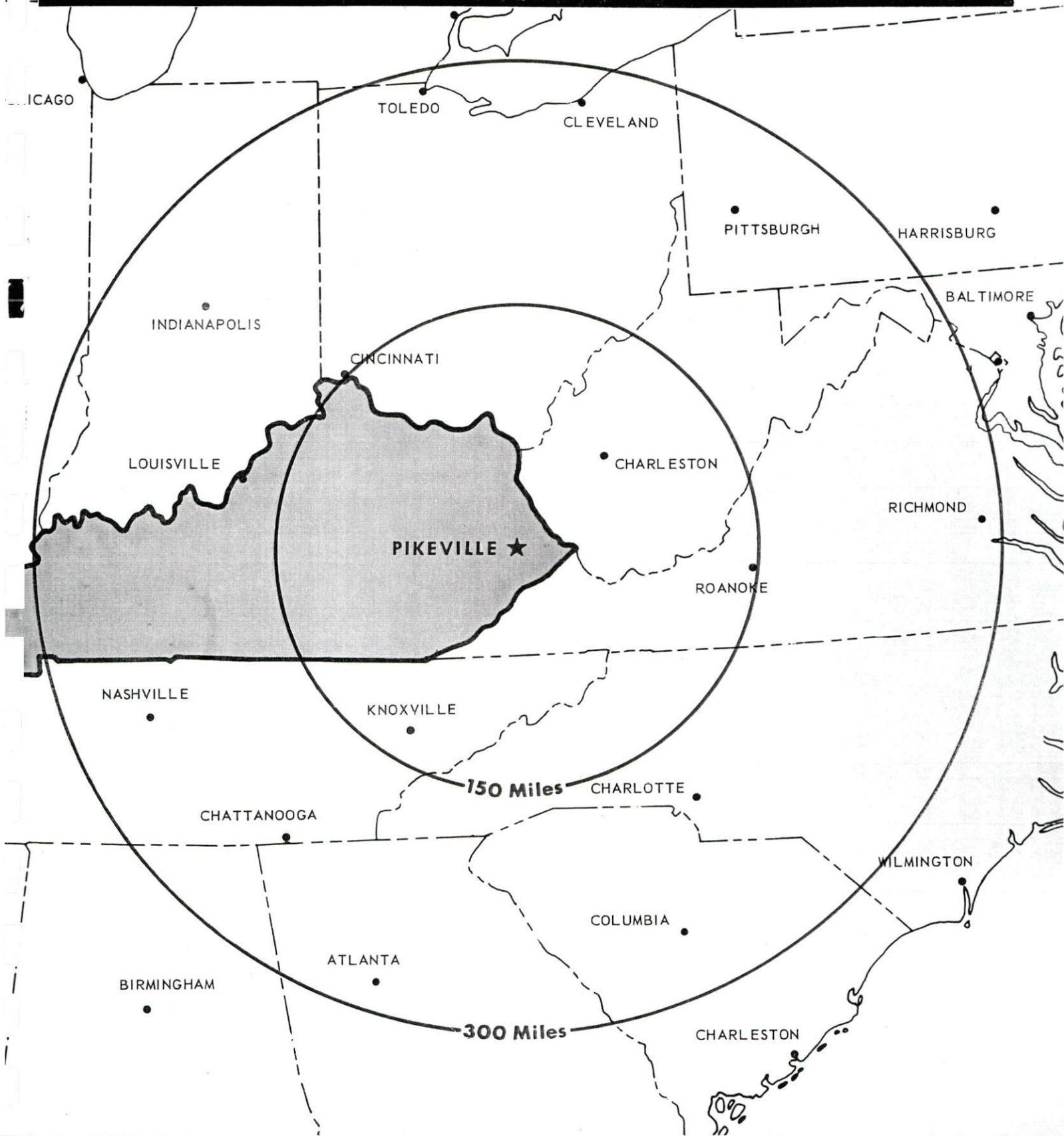
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INDUSTRIAL RESOURCES

PIKEVILLE KENTUCKY



INDUSTRIAL RESOURCES
PIKEVILLE, KENTUCKY

Prepared by
Pike County Chamber of Commerce
and
The Kentucky Department of Commerce
Frankfort, Kentucky
1967

This copy has been prepared by the Kentucky Department of Commerce,
Division of Research, and the cost of printing paid from state funds.

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RESOURCES**

Pikeville

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UTILITIES AND FUEL

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SUMMARY DATA

POPULATION:

1960: Pikeville - 4,754	Pike County - 68,264
1965: Pikeville - 5,800*	

PIKEVILLE LABOR SUPPLY AREA:

Includes Pike and all adjoining counties. Estimated number of workers available for industrial jobs in the labor supply area: 9,200-9,700 men and 9,550-10,050 women. Number of workers available from Pike County: 3,000-3,100 men and 4,200-4,300 women.

The future labor supply will include 11,135 boys and 10,695 girls who will become 18 years of age by 1973.

LOCAL MANUFACTURING:

Manufacturing firms, their products, employment, prevailing wage rates, and current unionization are shown in detail in the Manufacturing Chapter.

TRANSPORTATION:

Railroads: Pikeville is served by the Ashland Division of the Chesapeake & Ohio Railway Company operating between Ashland and Elkhorn City. The Norfolk & Western Railway Company also serves portions of eastern Pike County.

Air: The nearest major airport is the Tri-State Airport at Kenova, West Virginia, 118 miles distant. The Pikeville Airport has a 3,000 by 60-foot crushed stone-rolled runway.

A mountain top airport with a 4,200-foot paved runway is under construction. The airport is to have facilities for landing commercial airplanes.

*1965 population estimate from Pike County Chamber of Commerce.

Trucks: Pikeville is provided interstate and intrastate common carrier service by Point Express, Inc., and Bell Lines, Inc.

Bus Lines: Pikeville is provided bus service by the Southern Greyhound Bus Lines and the Trailway Bus Line. Twenty-two buses serve Pikeville daily.

Highways: Highways providing access to Pikeville include U. S. Routes 23, 119, and 460, and Kentucky Route 80.

UTILITIES:

Electricity:

City: Kentucky Power Company

County: Kentucky Power Company

Gas: The Gas Department of the City of Pikeville distributes natural gas to the residents of Pikeville. The city-owned gas system uses the United Fuel Gas Company as a source of supply.

Water: The Pikeville Water and Sewerage Department provides finished water through its 1.5 million gallon per day treatment plant. The source of supply is the Big Sandy River.

Sewer System: The Pikeville Water and Sewerage Department's new 1,000,000 gpd sewage treatment plant was completed in May of 1965. The system provides complete sanitary and storm sewer coverage to 95 percent of the city.

INDUSTRIAL SITES:

Industrial sites immediately available include a 102-acre site at Pikeville and one of 25 acres at Elkhorn City. The future manufacturing potential should not be limited by plant site availability because the type of industry logical for the area is likely to require small sites which can be made available when needed. Improvements in rail and highway facilities already scheduled will permit development of such sites. Completion of the \$56 million Fishtrap Dam will remove flood hazards from many tracts along the Levisa Fork now subject to flooding, thereby making available additional industrial sites in this valley below the dam.

POPULATION AND LABOR MARKET

Population

Pikeville and Pike County, according to the 1960 U. S. Census of Population, have experienced a population decrease for the first time since 1910. The basic cause for this decrease in population is attributed to the decline in coal mining employment that took effect during the 1950's.

TABLE 1

POPULATION DATA FOR PIKEVILLE AND PIKE COUNTY
WITH COMPARISONS TO THE KENTUCKY RATE OF CHANGE, 1900-60

Year	Pikeville		Pike County		Kentucky
	Population	% Change	Population	% Change	% Change
1900			22,686		15.5
1910	1,280		31,679	39.7	6.6
1920	2,110	64.8	49,477	56.2	5.5
1930	3,376	66.0	63,267	27.9	8.2
1940	4,185	24.0	71,122	12.4	8.8
1950	5,154	23.1	81,154	14.1	3.5
1960	4,754	-7.8	68,264	-15.9	3.2

Source: U. S. Bureau of the Census, U. S. Census of Population: 1960, "General Population Characteristics," Kentucky.

Economic Characteristics

Pikeville, county seat of Pike County, is a fourth-class Kentucky city. Pike County is the most eastern county in the mountain region known as the Eastern Coal Field. Both city and county are economically dominated by the bituminous coal mining industry. There were 4,694 workers in the mining industry in September, 1966. This was 60.8 percent of all workers employed in all industries.

TABLE 2

PIKE COUNTY LABOR MARKET, AVERAGE WEEKLY INCOME,
TOTAL AND PER CAPITA PERSONAL INCOME

County	Weekly Wages, 1965		Personal Income, 1963		
	All Industries	Manufacturing	Total (000)	Per Capita	Per Capita Rank*
Pike	\$90.81	\$ 70.18	\$ 66,365	\$1,020	88
Floyd	95.68	81.77	45,139	1,016	90
Knott	72.61	38.23	12,628	759	111
Letcher	94.92	62.47	32,660	1,186	74
Martin	65.65	49.29	4,662	473	120
KENTUCKY	\$96.66	\$110.10	\$5,566,097	\$1,799	

*County rankings presented here are the per capita personal income for that county among the total 120 Kentucky counties.

Sources: Kentucky Department of Economic Security (Average Weekly Wage for All Industries and Manufacturing 1965) for Weekly Wages; Bureau of Business Research, College of Commerce, University of Kentucky, Kentucky Personal Income 1963, 1965, for Personal Income.

Labor Market

Supply Area: The Pikeville labor supply area includes Pike and the adjoining counties of Floyd, Knott, Letcher and Martin. The population of the labor supply area was 167,571 in 1960.

Current Labor Potential: Fantus Area Research, Inc., estimated in November, 1966, that there were from 9,200 to 9,700 males and from 9,550 to 10,050 females in this area between the ages of 18 and 45 who are currently recruitable for manufacturing jobs. The county distribution of this current labor supply is shown in Table 3.

The potential male labor supply is available from the unemployed plus the underemployed. The underemployed are principally men earning below \$2,500 a year. Most of the underemployed would come from seasonal agricultural employment or marginal nonmanufacturing jobs.

Part of the female labor supply will come from the unemployed but a much greater proportion will come from increased participation in the labor force when jobs are available. The participation rate of women in the labor force is relatively low in much of Kentucky.

TABLE 3.

CURRENT POTENTIAL LABOR SUPPLY, PIKE COUNTY,
KENTUCKY AREA, NOVEMBER, 1966

County	Total	Current Labor Potential	
		Male	Female
Area Total:	18,750-19,750	9,200-9,700	9,550-10,050
Pike	7,200- 7,400	3,000-3,100	4,200- 4,300
Floyd	4,200- 4,400	2,200-2,300	2,000- 2,100
Knott	3,050- 3,250	1,800-1,900	1,250- 1,350
Letcher	3,000- 3,200	1,500-1,600	1,500- 1,600
Martin	1,300- 1,500	700- 800	600- 700

Source: Fantus Area Research, Inc.

Future Labor Supply: The future labor supply in the area will include some portion of the 11,135 males and 10,695 females who will become 18 years of age by 1973. An exact forecast of the figure that would enter the area work force would be impossible; however, the most influential internal factor would be the type of local employment available. The distribution of the future labor supply is shown in the following table.

TABLE 4
DISTRIBUTION OF THE FUTURE LABOR SUPPLY,
PIKE COUNTY AREA

	18 Years of Age by 1973	
	Male	Female
Area Total:	11,135	10,695
Pike	4,442	4,249
Floyd	2,706	2,685
Knott	1,245	1,139
Letcher	1,980	1,868
Martin	762	754

Source: U. S. Bureau of the Census, U. S. Census of Population: 1960, "General Population Characteristics," Kentucky.

Area Employment Characteristics: The following three tables show the area employment in agriculture and the covered employment of manufacturing and all industries, respectively.

TABLE 5
PIKEVILLE AREA AGRICULTURAL EMPLOYMENT
FALL, 1964

	All Persons in Farm- Operator Households	Regular Hired Workers*	Total
Area Total:	10,319	11	10,330
Pike	2,931	5	2,936
Floyd	3,038	5	3,043
Knott	2,213	0	2,213
Letcher	1,131	0	1,131
Martin	1,006	1	1,007

*Regular Workers (employed 150 days or more).

Source: U. S. Bureau of the Census, U. S. Census of Agriculture: 1964, Kentucky.

TABLE 6

PIKE COUNTY AREA MANUFACTURING EMPLOYMENT
SEPTEMBER, 1966

	Area Total	Pike	Floyd	Knott	Letcher	Martin
Total manu- facturing	925	256	411	20	138	100
Food and kindred products	144	91	0	0	53	0
Tobacco	2	2	0	0	0	0
Clothing, textile and leather	255	0	255	0	0	0
Lumber and furniture	344	112	43	20	69	100
Print., pub. and paper	32	24	6	0	2	0
Chemicals, coal, petroleum and rubber	39	0	39	0	0	0
Stone, clay and glass	55	27	14	0	14	0
Primary metals	0	0	0	0	0	0
Machinery, metal products and equipment	54	0	54	0	0	0
Other	0	0	0	0	0	0

Source: Kentucky Department of Economic Security (Number of Workers in Manufacturing Industries Covered by Kentucky Unemployment Insurance Law Classified by Industry and County).

TABLE 7

PIKE COUNTY AREA COVERED EMPLOYMENT,
ALL INDUSTRIES, SEPTEMBER, 1966

	Area Total	Pike	Floyd	Knott	Letcher	Martin
Mining and Quarrying	10,405	4,694	2,689	378	2,433	211
Contract Construction	902	346	442	16	85	13
Manufacturing	925	256	411	20	138	100
Transportation, Communication and Utilities	767	422	211	38	78	18
Wholesale and Retail Trade	2,614	1,382	618	38	542	34
Finance, Ins. and Real Estate	391	216	107	7	49	12
Services	908	396	261	46	186	19
Other	8	4	4	0	0	0
Total	16,920	7,716	4,743	543	3,511	407

Source: Kentucky Department of Economic Security (Number of Workers Covered by Kentucky Unemployment Insurance Law Classified by Industry and County).

LOCAL MANUFACTURING

Table 8 is a list of manufacturing firms located in or around Pikeville. This table indicates the present scope of the labor demand and products available in the Pikeville area.

TABLE 8
PIKEVILLE MANUFACTURING FIRMS WITH PRODUCTS
AND EMPLOYMENT, 1967

Firm	Product	Employment		
		Male	Female	Total
Adams Construction Co.	Concrete	5	1	6
Big Sandy Electric & Supply Co.	Coils for electric motors, batteries	14	2	16
Coca-Cola Bottling Co.	Carbonated beverages	22	3	25
Colley Block	Concrete block			NA
East Kentucky Beverage Co., Inc.	Soft drinks	37	5	42
East Kentucky Machine & Electric	Rebuild and rewire machinery	6	1	7
Guy Epling	Mine equipment	1	0	1
Keene Garage Welding Shop	Machine shop	4	0	4
Kentucky Oil & Refinery	Gasoline, diesel fuel, kerosene			NA
May Sign Co.	Signs	3	1	4
Pauley Lumber Co.	Rough and dressed lumber supplies	16	3	19
Pike County News	Newspaper publishing, letterpress and supplies			13

Prevailing Wage Rates

<u>Job Classification</u>	<u>Per Hour</u>
Carpenter	\$2.00
Electrician	2.00
Plumber	2.25
Bricklayer	3.50
Truck Driver	1.40
Iron Worker	2.25
Unskilled Laborer	1.40
Painter	2.25
Steam Fitter	1.75
Sheet Metal Worker	2.00
Equipment Operator	2.25
	<u>Per Day</u>
Union Coal Miner (pit)	\$24.93 to \$30.00
Union Coal Miner (strip)	24.92 to 30.38
Nonunion Coal Miner	14.00
	<u>Per Week</u>
Clerk Typist	\$50.00

Unions

The only union represented in Pikeville is the United Mine Workers of America.

TRANSPORTATION

Railroads

Pike County is served by the Chesapeake & Ohio Railway Company and the Norfolk & Western Railway Company. Norfolk & Western service is confined to the eastern portion of the county in the areas drained by the Tug Fork, its tributary Peter Creek and Upper Levisa Fork above the Fishtrap Dam. The Chesapeake & Ohio serves the remainder of Pike County including Pikeville. While not operating in Pike County, the Clinchfield Railroad connects with the C & O at Elkhorn City on the southeastern edge of Pike County and provides rail service to the south and southeast.

Pike County has excellent coal rail transportation. Both the C & O and N & W Railways provide connections east and southeast as well as to the north.

Rail investment in new facilities in Pike County has exceeded \$20 million since 1960. Included in this investment is a 34.8 mile extension of the C & O Railway into Upper Johns Creek and an 8.5 mile extension of the N & W Railway into the Right and Left Forks of Peter Creek.

TABLE 9

RAILWAY TRANSIT TIME FROM PIKEVILLE, KENTUCKY, TO:

Town	No. of Hrs.		Town	No. of Hrs.	
	CL			CL	
Atlanta, Ga.	120		Louisville, Ky.	48	
Birmingham, Ala.	144		Los Angeles, Calif.	432	
Chicago, Ill.	72		Nashville, Tenn.	120	
Cincinnati, Ohio	40		New Orleans, La.	140	
Cleveland, Ohio	72		New York, N. Y.	140	
Detroit, Mich.	72		Pittsburgh, Pa.	130	
Knoxville, Tenn.	90		St. Louis, Mo.	100	

Source: Chesapeake & Ohio Railway Company.

Highways

Pikeville is served by U. S. Routes 23, 119, and 460, and Kentucky Highway 80.

The Mountain Parkway, a four-lane toll road, is now complete to Salyersville with a portion of the Appalachia Highway providing a link on to Prestonsburg. Prestonsburg is only 30 miles from Pikeville.

The Appalachia Highway System is an improved and rebuilt two-lane highway system that will soon connect Pikeville and the major cities in eastern Kentucky.

TABLE 10

HIGHWAY DISTANCES FROM PIKEVILLE, KENTUCKY, TO:

<u>Town</u>	<u>Miles</u>	<u>Town</u>	<u>Miles</u>
Atlanta, Ga.	395	Louisville, Ky.	239
Birmingham, Ala.	470	Los Angeles, Calif.	2,427
Chicago, Ill.	554	Memphis, Tenn.	571
Cincinnati, Ohio	225	Minneapolis, Minn.	966
Cleveland, Ohio	469	Nashville, Tenn.	354
Detroit, Mich.	427	New Orleans, La.	972
Kansas City, Mo.	769	New York, N. Y.	708
Knoxville, Tenn.	199	Pittsburgh, Pa.	361
Lexington, Ky.	150	St. Louis, Mo.	517

Truck Service: The following trucking firms serve Pikeville:

<u>Company</u>	<u>Home Office</u>	<u>Type Service</u>
Bell Lines, Inc.	Charleston, West Virginia	Interstate
Point Express, Inc.	Charleston, West Virginia	Interstate - Intrastate

TABLE 11

TRUCK TRANSIT TIME FROM PIKEVILLE, KENTUCKY, TO
SELECTED MARKET CENTERS

Town	Delivery Time*		Town	Delivery Time	
	LTL	TL		LTL	TL
Atlanta, Ga.	3	2	Louisville, Ky.	3	2
Birmingham, Ala.	3	2	Los Angeles, Calif.	7	7
Chicago, Ill.	3	2	Nashville, Tenn.	3	2
Cincinnati, Ohio	2	1	New Orleans, La.	4	3
Cleveland, Ohio	3	2	New York, N. Y.	3	2
Detroit, Mich.	3	2	Pittsburgh, Pa.	3	2
Knoxville, Tenn.	3	2	St. Louis, Mo.	3	2

*Delivery time in days.

Source: Point Express, Inc., Charleston, West Virginia.

Bus Lines: Bus service is provided to Pikeville by the Southern Greyhound Bus Lines with 8 buses daily and the Trailway Bus Line with 14 buses daily.

Taxi Service: Pikeville is served by several firms offering 24-hour taxi service.

Air

The nearest major airport is the Tri-State Airport, 118 miles north of Pikeville at Kenova, West Virginia. Over thirty daily flights are provided by Eastern, Piedmont, and Allegheny Airlines.

The Pikeville Airport has a 3,000 by 60-foot crushed stone-rolled runway suitable for light and charter aircraft.

A new Pikeville airport, presently under construction, will have a 4,200-foot paved runway. The airport will be located 5 miles south of Pikeville.

UTILITIES AND FUEL

Electricity

Pikeville is supplied with electric power by the Kentucky Power Company. The Kentucky Power Company is one of the six operating companies of the American Electric Power System. The interconnected system has a present generating capacity of 8 million kilowatts. This will be increased to 10 million kilowatts by 1968.

The area served by the Kentucky Power Company is substantially covered with transmission and distribution lines. In 1963, a 265,000 kilowatt power plant was built on the Big Sandy River at Louisa. Construction has begun to quadruple the size of this plant, at a cost of \$100,000,000. The new unit is scheduled for commercial operation in 1969, with an approximate generating capacity of 1,065,000 kilowatts.

Now fourteenth in size among the A.E.P. System's chain of fifteen major power plants situated in five states, Big Sandy will rank fifth in size upon completion of its program.

Natural Gas

Natural gas is distributed to Pikeville and the surrounding areas by the Gas Department of the City of Pikeville, whose main source of supply is the United Fuel Gas Company.

Transmission lines are 4 to 6 inches in diameter under pressure of from 30 to 75 psi. Distribution lines are 4 inches in diameter with a maintained pressure of 10 psi, a specific gravity of .60, and a BTU content of 1,000.

The Gas Department presently serves an area 14 miles north of Pikeville along the Big Sandy River, to 3 miles south of Pikeville along the Big Sandy River. New construction costing \$200,000 is underway that will extend the service area and will add new mains to the present area.

Current gas rates are:

First	2,000 cu. ft.	\$2.00 (Minimum)
Next	28,000 cu. ft.	.63 Per M cu. ft.
All over	30,000 cu. ft.	.53 Per M cu. ft.

Coal and Coke*

Pikeville is served by the Eastern Kentucky Coal Field which lies within the Appalachian coal region which also embraces the coal mining areas in Pennsylvania, Ohio, Maryland, the Virginias, Tennessee, and Alabama.

A total of 1,735 mines in 31 counties of eastern Kentucky produced 46,567,000 tons of bituminous coal in 1965. Average production per mine was 27,000 tons. Nine counties in eastern Kentucky produced more than a million tons. Pike County leads with a total production of 14,836,047 tons. Underground mines produced 80 percent, auger mines 11 percent, and strip mines 9 percent of the total. Shipments were 85 percent by rail or water and 15 percent by truck. Captive tonnage was 15 percent of the total.

Of the total coal production from the Eastern Kentucky Field, 37 percent was cleaned at 32 cleaning plants; 24 percent was crushed, and 11 percent was treated with oil or other materials.

The coal seams of eastern Kentucky are of bituminous rank. They have a high-volatile content and usually are low in ash and moisture. These qualities make much of the eastern Kentucky coal particularly suitable for coke making and for the manufacture of illuminating gas. Several seams are of hard structure (splint and block) and are highly esteemed by the domestic trade. Eastern Kentucky also is an important source of cannel coal.

Kentucky has three coke plants, located in Ashland, Calvert City and Dawson Springs. The supply is supplemented by border state operations.

Fuel Oil

Kentucky has three fuel oil refineries located in Catlettsburg, Louisville and Somerset. Kentucky's fuel supply is supplemented by border state operations.

*U. S. Bureau of Mines; Keystone Coal Buyers Manual.

WATER AND SEWERAGE

Public Water Supply

Water is supplied to Pikeville by the Pikeville Water and Sewerage Department, whose source of supply is the Big Sandy River. The Department maintains a treatment plant with a capacity of 1,500,000 gallons per day, utilizing a treatment process of settlement, chlorination, coagulation of alum and lime, and with pre- and post-fluorination. The average daily use is 600,000 gallons; peak daily demand has been 700,000 gallons. Finished water storage facilities of the system consist of two 300,000-gallon tanks, one 60,000-gallon tank, and a 300,000-gallon clear well. Mains are 4, 6, 8, 10, and 12 inches with a maintained pressure of 120 psi. The average year around water temperature is 60°F.

Rates:

	<u>Gallons</u>	<u>Per M Gallons</u>
First	2,000	\$2.90
Next	3,000	1.00
Next	5,000	.95
Next	10,000	.90
Next	20,000	.85
Next	20,000	.80
Next	20,000	.75
Next	20,000	.70
100,000 to	300,000	.30
All over	300,000	.25

Sewerage System

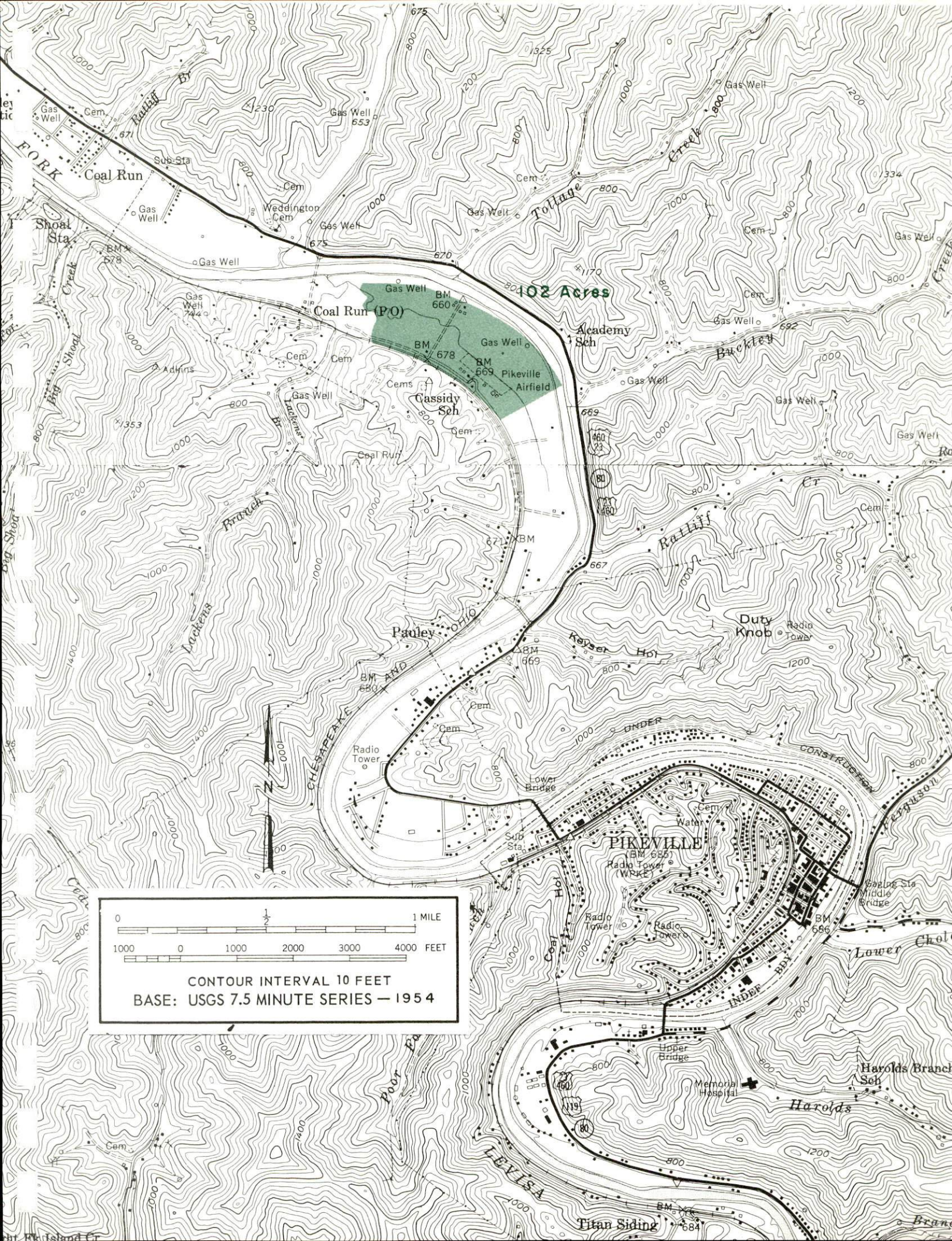
In 1965, Pikeville placed into operation a new 1,000,000 gpd sewage treatment plant. All sewage is given primary and secondary treatment. The Pikeville Water and Sewerage Department serves 95 percent of the City of Pikeville with sanitary mains ranging from 8 to 20 inches and storm mains ranging in size from 10 to 48 inches. The maximum daily flow has been 350,000 gallons. The effluent is discharged into the Big Sandy River 2 miles downstream from the water system intake. Sewerage rates equal 85 percent of the water bill.

INDUSTRIAL SITES

Industrial sites immediately available include a 102-acre site at Pikeville and one of 25 acres at Elkhorn City. The future manufacturing potential should not be limited by plant site availability because the type of industry logical for the area is likely to require small sites which can be made available when needed. Improvements in rail and highway facilities already scheduled will permit development of such sites. Completion of the \$56 million Fishtrap Dam will remove flood hazards from many tracts along the Levisa Fork now subject to flooding, thereby making available additional industrial sites in this valley below the dam.

SITE # 1: ACREAGE AND TOPOGRAPHY: 102 acres, level
LOCATION: Approximately 2 miles north of Pikeville's
 business district, along U.S. Routes 23 and 460 at the
 present Pikeville Airport
ZONING: Heavy industry
HIGHWAY ACCESS: U.S. Routes 23 and 460 are accessible
 by bridge, limited to auto and pickup truck weights
RAILROADS: Chesapeake & Ohio Railway has double track
 adjacent to site along the south boundary line
WATER: 4-inch water line is located 1,500 feet away at
 city limits
GAS: 4-inch gas line is located on site and is distributed
 by municipally owned company
ELECTRICITY: A 7,200 volt, 3-phase distribution line
 is presently located on the site
SEWERAGE: A sewer line is located 1,500 feet away at
 city limits
OWNERSHIP: Leonard Thompson-Weddington heirs
AGENT: Robert Holcomb, President, Pike County
 Chamber of Commerce, Pikeville, Kentucky, Area
 Code: 606 437-7351

Cost per acre will be furnished upon request by the agent
or the Kentucky Department of Commerce



LOCAL GOVERNMENT AND SERVICES

Type Government

City: Pikeville, county seat of Pike County, is a fourth-class Kentucky city governed by a mayor elected for a term of four years and four commissioners elected for two-year terms. A full-time city manager is also employed.

County: The Pike County fiscal court is composed of a county judge elected for a four-year term, and eight magistrates elected by districts for four-year terms.

Laws Affecting Industry

Municipal Tax Exemption: As provided by state law, Pikeville may allow a five-year tax exemption from municipal taxation to new industry. This exemption cannot be extended beyond this five-year period.

Business Licenses: Pikeville has adopted two types of license fees, one applying to employees and the other applying to business entities. These fees are basically one percent of gross compensation of employee earnings for work done or services performed or rendered in the city; one percent of net profits or income of business entities of such trade, occupation or profession, or other enterprise if and to the extent conducted in or derived from activity in the city.

Planning and Zoning

The Pikeville Planning Commission was established in 1954. Since then it has followed a continuous, active planning program. At the time of its establishment, it contracted with the Division of Community Planning and Development of the Kentucky Department of Commerce for technical assistance and has continued with that assistance.

Studies that have been completed include Base Map, Zoning Ordinance, Capital Improvements, Subdivision Regulations, Major Street Plan, Existing Land Use Analysis and Map, Economic Base Study, Housing Condition Survey, Land Use Plan, Community Facilities Plan, and Public Improvements Program.

Urban Renewal: Pikeville has an urban renewal authority which is at present awaiting a plan submitted to the House and Home Finance Authority. The plan includes: relocation of the Chesapeake & Ohio Railway out of downtown to the west and the development of a centralized coal loading site in an adjoining area; a collector street on the existing railroad right of way to connect the town's two ends; development of 200 off-street parking spaces; demolition and clearance of more than 100 blighted and deteriorating structures; creation of a six-acre housing area to provide approximately 50 low-income dwelling units and the development of approximately 10 acres of residential properties, 20 acres of commercial properties and 7 acres of public or semi-public properties. The approximate cost of this project will be \$7 million.

Fire Protection

Pikeville has a chief, four full-time firemen, and twenty volunteer firemen providing fire protection. Equipment includes two fully equipped 750-gpm pumper trucks, a new 750-gpm pumper costing \$24,000, one 250-gpm pumper, an auxiliary generator, and flood lights. Alarms are given by telephone and a central siren.

Pikeville has a Class-7 NBFU insurance rating.

Rescue Squad

Units of the Pike County Rescue Squad are located in Pikeville, Virgie, and Biggs. The rescue squad has a total of 53 volunteer members, of which 5 are qualified skin divers. The rescue squad is equipped to do medium to heavy rescue work. Equipment includes one 1964 van, one pickup truck, one jeep, two 16-foot aluminum boats, and one 18-foot fiberglass boat. All boats are equipped with outboard motors.

Police Protection

The Pikeville Police Department is staffed by a chief, assistant chief, six patrolmen, and one meter maid. Equipment includes two radio-equipped cruisers. The department is aided by two school patrol guards.

Pike County police protection is provided by a sheriff and five deputies.

Troop E of the Kentucky State Police is located in Pikeville. The staff includes one lieutenant, one first sergeant, one sergeant, one detective, and fourteen troopers. This detachment covers a five-county area with six troopers assigned to Pikeville.

Garbage and Sanitation

The city provides garbage collection service twice weekly in the residential areas and daily in the business district. Disposal is by means of a sanitary land fill. There is a monthly charge of \$1.50 for residences, with a graduated scale being applied to business establishments.

Financial Information

The following is a summary of the financial position of Pikeville and Pike County.

City Income, Expenditures and Bonded Indebtedness:
(1965-66)

City Income	\$ 771,808.31
City Expenditures	618,060.68
Bonded Indebtedness	
School Revenue Bonds	826,000.00
Water & Sewer Revenue Bonds	1,359,000.00
Gas Revenue Bonds	270,000.00

County Budget and Bonded Indebtedness:
(1966-67)

County Budget	\$ 457,400.00
County Bonded Indebtedness	-0-

TAXES

Property Taxes

The following table shows the property tax rates in Pikeville and Pike County for 1967. A more detailed explanation of taxes is shown in Appendix D.

TABLE 12

PROPERTY TAX RATES PER \$100 OF ASSESSED VALUE FOR
PIKEVILLE AND PIKE COUNTY, 1967

Taxing Unit	Pikeville	Pike County
State	\$.015	\$.015
County	.130	.130
City	.155	
School	.513	.449
Health	.020	.020
Total	\$.833	\$.614

Source: Pike County Chamber of Commerce.

Net Assessed Value of Property
(1966)

	<u>Pikeville</u>	<u>Pike County</u>
Real Estate	\$35,442,351*	\$144,424,141
Tangibles		44,404,072
Franchise	3,404,222	55,170,000
Total	<u>38,846,573</u>	<u>243,998,213</u>

*Includes Real Estate and Tangibles.

OTHER LOCAL CONSIDERATIONS

Educational Facilities

Graded Schools: The Pikeville Independent School District is composed of two elementary schools and one high school. A new \$800,000 elementary school was recently completed and will be placed into use in September 1967. The school system maintains a pupil-teacher ratio of 24 to 1 in the elementary grades and 23 to 1 in the high school grades. The 1966-67 school budget totaled \$509,000.

The Pike County School System has recently undergone a massive consolidation program. These consolidations have eliminated 40 elementary school buildings. The system now maintains a pupil-teacher ratio of 27 to 1 in the elementary grades and 22 to 1 in the high school grades. The 1966-67 school budget totaled \$5,437,671.07.

TABLE 13

SCHOOLS, ENROLLMENT, NUMBER OF TEACHERS, STUDENT-
TEACHER RATIO IN PIKEVILLE AND PIKE COUNTY

School	Enrollment	No. of Teachers	Student- Teacher Ratio
Pikeville Ind. Elementary	748	31	24-1
Pikeville Ind. High School	628	27	23-1
Pike County Elementary	12,286	460	27-1
Pike County High School	4,287	191	22-1

Source: Kentucky Department of Education, Kentucky School Directory, 1966-67.

Vocational Schools: Kentucky's vocational education program utilizes thirteen highly specialized schools, partly integrated with regular secondary education. These special area trade schools prepare Kentuckians for work in a variety of trade and industrial occupations.

Two Pike County branches of the Mayo State Vocational School are located in Belfry and Millard. The courses offered at Belfry include drafting, electricity and welding. The courses offered at Millard include auto mechanics, drafting, and electricity. Both schools will have an extended curriculum beginning in September of 1967.

The Pikeville area is served by the Mayo State Vocational School at Paintsville, 43 miles distant. Courses offered at this school include: auto mechanics, drafting, electricity, machine shop, mine training, radio, diesel mechanics, television, welding, and woodworking. Mayo State Vocational School and Methodist Hospital of Kentucky have a joint training program for practical nursing.

The trade preparatory courses listed above are normally two years in length. In addition, short unit courses are offered on a continuous basis for the upgrading of employed workers. Other short unit courses are provided in all occupations of an industrial nature as needs arise or upon request, when facilities permit.

Colleges: In 1964, Pikeville College celebrated the Diamond Jubilee of its founding by the United Presbyterian Church. Starting 77 years ago with one instructor, Pikeville College today has a staff of 75 persons, an educational plant valued at \$4,000,000, and an annual budget of almost \$1 million.

From its hillside campus overlooking the City of Pikeville, the college has built its reputation on service to the mountain area. About 90 percent of the 800 students enrolled are from homes within a radius of 75 miles.

A major purpose of this four-year accredited college is the training of public school teachers. For example, of a recent graduating class of 200 students about 175 intended to teach.

Degrees offered are Bachelor of Science and Bachelor of Arts. Training is offered in medical technology and business administration, with preparatory courses offered in medicine, law, and theology.

Pikeville College records show that one of every three students receives some financial aid-- through workshops, scholarships, or loans. This record of helping mountain youth secure a college education is another reason for Pikeville College's growing reputation as "eastern Kentucky's best friend" for 76 years.

Kentucky colleges and universities within 150 miles of Pikeville include:

Ashland Community College, University of Kentucky, Ashland
Prestonsburg Community College, University of Kentucky,
Prestonsburg
University of Kentucky, Lexington
Morehead State University, Morehead
Berea College, Berea
Eastern Kentucky University, Richmond
Transylvania College, Lexington
Lees Junior College, Jackson
Alice Lloyd College, Pippa Passes
Union College, Barbourville

Health

Hospitals: Pikeville is served by the Methodist Hospital of Kentucky. This general, short-term hospital is located in Pikeville. The hospital has a capacity of 190 beds and 20 bassinets. Rates vary from \$18 to \$30 per day. Facilities include clinical, diagnostic and cancer clinics, blood bank, operating rooms, recovery rooms, X-ray, and laboratories. The hospital staff consists of 26 doctors, 5 dentists, 18 registered nurses, 45 licensed practical nurses, and 200 other hospital personnel.

The hospital just recently purchased the Pikeville Appalachian Regional Hospital, which accounts for the increase in personnel and facilities.

Presently, the hospital is in the planning stages of a \$4.5 million building program. This program will include the relocation of all facilities. The hospital will have a 300-bed capacity, a mental health department, and a nurses residence hall. Completion date has been set for the early part of 1970.

Public Health: The Pike County Health Department, located in Pikeville, is staffed with the following full-time employees: one health officer, three sanitarians, seven nurses, four clerks, an X-ray technician, and one dentist. Assistance with special programs or projects is obtained through the use of community volunteers, organizations or by employing part-time workers.

Active programs include maternal and child health services, vital statistics, health education, communicable disease control, environmental health services, school health, crippled children services, dental health, "old age" care, mental health clinic services and laboratory services. The 1966-67 budget totaled \$118,641.72.

Housing

There are a few houses available for rent or sale in Pikeville. The rental range for a two- or three-bedroom house is from \$50 to \$100 per month. The construction cost for the same type of house is from \$10,000 to \$25,000, depending upon location and materials used.

Communication

Telephone and Telegraph: Southern Bell Telephone and Telegraph Company serves Pikeville with a dial telephone system. Southern Bell offers mobile phone service within the toll-free service area, that is all of Pike County except some extreme sections in the eastern and southeastern part of the county. There are 4,300 subscribers within Pikeville and 8,741 within the county.

Within Pike County in the last year there have been major cable extensions and other miscellaneous improvements amounting to \$540,000.

Telegraph service is provided by a local Western Union office. The office is open from 8:00 a.m. to 8:30 p.m., Monday through Saturday, and from 9 a.m. to 1 p.m. on Sunday.

Postal Facilities: Pikeville has a first-class post office with twenty-seven employees and a substation with three employees. Mail is received six times and dispatched four times daily. Local routes include three city, three rural, and one parcel post. Total postal receipts for 1966 were \$192,000.

Newspapers: Pikeville has one local newspaper, the Pike County News, a weekly publication with 5,179 subscribers. Other papers are received daily from Ashland and Louisville, Kentucky; Williamson and Huntington, West Virginia; and Cincinnati, Ohio.

Radio:

<u>Pikeville Stations</u>	<u>Watts</u>	<u>Kilocycles</u>	<u>Operating Hours</u>	<u>Network</u>
WPKE (AM-FM)	1,000	1,240	6 a.m. to 11 p.m.	Mutual
WLSI (AM)	5,000	900	6 a.m. to 6 p.m.	Ind.

Television: Pikeville receives television by means of a cable system. Stations received are located in Huntington (2 stations) and Charleston, West Virginia, and Bristol, Tennessee. Reception is described as good to excellent from all of these stations. All three major networks are represented.

Libraries

The Pikeville Free Public Library serves the residents of Pike County with more than 15,000 volumes. The combined library and bookmobile circulation for 1965-66 totaled 83,916. Also available to the public is the Pikeville College Library with over 37,000 volumes, plus 300 magazines and about 30 newspapers.

Churches

Church denominations represented in Pikeville include: Baptist, Catholic, Christian, Church of Christ, Episcopal, Methodist, Pilgrim Holiness, and Presbyterian.

Financial Institutions

	Statement as of December 31, 1966	
	<u>Assets</u>	<u>Deposits</u>
The Citizens Bank	\$15,093,704.32	\$14,087,649.54
The First National Bank of Pikeville	17,030,990.88	15,360,481.91
Pikeville National Bank & Trust Company	20,256,986.28	18,563,938.29

Hotels and Motels

Anthony Hotel	68 rooms
Pinson Hotel	63 rooms
Mayo Trail Motel	27 units
Moderne Villa Motel	27 units
Pikeville Motel	60 units
Landmark Motel	46 units
Colley Motel	15 units

Clubs and Organizations

Civic: Pike County Chamber of Commerce, Jaycees, Lions, Kiwanis, PTA and Rotary.

Fraternal: Masonic Lodge, IOOF, American Legion, VFW, Moose, Eastern Star and Rebekah.

Women's: Business and Professional Woman's Club, DAR, Homemakers, Woman's Club, Junior Woman's Club, Beta Sigma Phi, Hospital Auxiliary, Licensed Practical Nurses, University Women of America.

Youth: Boy Scouts, Girl Scouts, Cub Scouts, Little League, Babe Ruth League, 4-H, FFA and FHA.

Other: Sportsman's Club, Pike County Saddle Club, Red Cross, Pikeville Rescue Squad, Green Meadows Country Club, Medical Auxiliary, Pike County Medical Association and Ministerial Association, Pike County Historical Society.

Recreation

Local: Pikeville has one indoor and two drive-in motion picture theatres, one public swimming pool, two roller skating establishments, one bowling establishment and two tennis courts. The community has one municipal park with playground equipment. Summer activities at this municipal park are fully supervised. Pikeville has an excellent country club -- The Green Meadows Country Club. Facilities include swimming pool, 9-hole golf course and clubhouse.

In addition to these facilities, Pikeville has Little League and Babe Ruth League baseball and church slow pitch softball league. The Pikeville City High School plays football, baseball and basketball.

Pikeville College, a member of the Kentucky Intercollegiate Athletic Conference, participates in basketball, baseball, golf, and tennis.

Area: Buckhorn Lake State Park, in eastern Kentucky on Kentucky Route 28, is 102 miles west of Pikeville. This newest Kentucky resort park has a lodge, dining room, 1,200-acre lake, beach, bathhouse, sandwich shop, boat dock and launching ramp, boat rentals, primitive camping, picnic shelter with rest rooms, playground, planned recreation and fishing. It is in an area of unspoiled scenic mountains.

Carter Caves State Park, in northeastern Kentucky on Kentucky Route 182 off US-60, is 121 miles north of Pikeville. The park has resort lodge, resort pool, dining room, coffee shop, efficiency and one-bedroom cottages, tent and trailer camp sites with central service building, group camp, picnic shelters, bathhouse, beach, 45-acre lake, boat dock and boat rentals, 9-hole golf course, miniature golf, riding stable, hiking and nature trails, playground and supervised recreation, fishing and guided tours through electrically-lighted caves. The cave region of eastern Kentucky abounds in natural bridges, rugged cliffs and mountain streams.

Jenny Wiley State Park, in eastern Kentucky on Kentucky Route 304 off US-23 and US-460, is 25 miles from Pikeville. The park has lodge and lodge pool, dining room and gift shop, one-bedroom duplex and two-bedroom deluxe cottages, boat docks, boat rentals and launching ramp, bathhouse and beach, swimming, picnic shelter with rest rooms, 9-hole golf course, horseback riding, fishing, hiking trails, scenic lake cruise, playground and planned recreation and an amphitheater. Dewey Lake, 1,150 acres, is the central attraction and has excellent fishing, especially for bass. A 12,000-acre forest surrounds the park. The eastern Kentucky mountain scenery is beautiful any time of the year. A round-trip, 4,700-foot chair lift sky ride from near the park beach to the top of Sugar Camp Mountain operates daily in the summer and on weekends from September 15 through October. There's a Ferris wheel and other diversions on the mountain top.

Natural Bridge State Park, in eastern Kentucky, on Kentucky Route 77 is 95 miles west of Pikeville. The park has a lodge, Olympic pool, dining room, gift shop, efficiency and one-bedroom cottages, tent and trailer camp sites with central service building, 55-acre lake, boating and boat rentals, bathhouse, picnic shelters, horseback riding, hiking and nature trails, fishing, playground and supervised recreation. Located in the Daniel Boone National Forest, this Red River Valley area abounds in high cliffs, unique rock formations, deep valleys, mountain streams and a profuse forest and wildflower covering. There are 12 great natural bridges in the area. Natural Bridge is the largest; its arch is 78 feet long and 65 feet high.

Community Improvements

Recent:

1. Rail investments in new facilities in Pike County have exceeded \$20 million since 1960.
2. State highway investments within Pike County since 1960 have totaled approximately \$5 million.
3. A new Pikeville airport is presently under construction.
4. Gas system construction costing \$200,000 is presently underway.
5. Pikeville placed a new 1,000,000 gpd sewage treatment plant into operation in 1965.
6. A new 750-gpm pumper was recently purchased at a cost of \$24,000.
7. A new \$800,000 elementary school was recently completed by the Pikeville Independent School District.
8. Major cable extensions by the Southern Bell Telephone and Telegraph Company have amounted to an expenditure of \$540,000.

Planned:

1. An extensive urban renewal plan is being studied.
2. A new \$4.5 million hospital complex is being planned with a completion date of 1970 expected.

NATURAL RESOURCES

Agriculture

Pike County is located in the eastern portion of Kentucky known as the Eastern Coal Field area. Farming in this section is largely on a part-time basis. The principal sources of farm income are the production of livestock and poultry. The majority of commercial farms have an annual return of \$2,500 or less per farm. The approximate total land acreage of the county is 503,040 acres with 788 farms comprising 13.9% of this area. The average farm size is 89.0 acres, valued at \$98.25 per acre (including buildings).*

The topography of Pike County is mountainous with approximately 81% of the land area in forest. The relative inherent fertility is low. The parent material is that of sandstone and shale. The soil drainage is of rapid runoff with medium internal drainage.**

The following tables are presented to reflect most recent production trends from available comparable data.

*U. S. Bureau of the Census, U. S. Census of Agriculture: 1964, Kentucky.

**U. S. Department of Agriculture, Soil Conservation Service.

TABLE 14

CROP PRODUCTION, PIKE COUNTY AND KENTUCKY

	Corn for Grain (1000 bu.)	Clover-Timothy Hay (Tons)	Lespedeza Hay (Tons)
<u>Pike County:</u>			
1965	108	500	230
1955	290	940	840
<u>Kentucky:</u>			
1965	76,176	726,000	610,000
1955	79,253	579,000	811,000

Source: Kentucky Department of Agriculture, Kentucky Agricultural Statistics, 1965, 1956.

TABLE 15

LIVESTOCK AND LIVESTOCK PRODUCTS, PIKE COUNTY AND KENTUCKY*

	Cattle & Calves on Farms (Number)	Hogs & Pigs on Farms (Number)	Milk Cows on Farms (Number)	Milk Production (1000 lbs.)	Egg Production (1000 eggs)
<u>Pike County:</u>					
1965	4,500	1,700	750 (1964)	3,900 (1964)	11,285 (1963)
1954	6,351	4,649	3,610	8,695 (1960)	12,756 (1960)
<u>Kentucky:</u>					
1965	2,495,000	1,298,000	455,000 (1964)	2,639,000 (1964)	913,000 (1963)
1954	1,671,821	1,059,766	556,491 (1964)	2,495,000 (1960)	888,000 (1960)

*When data varies from base year, year used is indicated in parenthesis.

Sources: Kentucky Department of Agriculture, Kentucky Agricultural Statistics, 1965, 1964, 1961; U. S. Bureau of the Census, U. S. Census of Agriculture: 1954, Kentucky.

TABLE 16

VALUE OF FARM PRODUCTS SOLD, PIKE COUNTY

Farm Products Sold	Value of Sales 1964	Value of Sales 1954
All Farm Products Sold	\$171,670	\$382,752
Average Per Farm	218	105
All Crops Sold	58,614	200,252
Field Crops	22,545	118,722
Vegetables	3,958	4,107
Fruits and Nuts	15,630	36,011
Forest Products & Horticultural Specialty Crops	16,481	41,349
All Livestock and Livestock Products Sold	113,046	182,500
Poultry & Poultry Products	35,233	60,901
Dairy Products	6,648	20,349
Other Livestock & Livestock Products Sold	71,165	101,250

Source: U. S. Bureau of the Census, U. S. Census of Agriculture:
1964 and 1954, Kentucky.

Additional detailed agricultural data may be obtained upon request from the Agricultural Development Division, Kentucky Department of Commerce, Frankfort, Kentucky, 40601.

Minerals

The principal mineral resources of Pike County consist of coal, petroleum and natural gas, glass sand, stone and clay. Alluvial deposits of sand and gravel can be obtained along the larger stream beds for local construction and other uses.

Coal: Coal is by far the most important mineral resource, and the economic condition of the area is usually reflected by its production. In 1965, a total of 655 mines employing approximately 6,000 men were operated.

Production: For the period 1904 through 1965 a total of 378.9 million tons has been produced. During 1965 Pike County was the state's second largest producer with a total of 15.4 million tons. Underground mines accounted for most of this total.

Quality: Over a dozen important coal seams are worked with the Elkhorn, Alma, Warfield, and others being outstanding. The coals are high volatile bituminous with low ash and sulphur content. They rank high in by-product coking, gas and metallurgical processes as well as in the general industrial and domestic trade. Selected analyses of the Elkhorn # 2, Alma, and Warfield seams are as follows:

Seam	Moisture	Volatile Matter	Fixed Carbon	Ash	Sulphur	BTU Dry Basis	Ash Softening Temp. °F
Elkhorn No. 2	3.2	33.1	58.7	5.0	1.1	15,230	-
Alma	2.8	33.7	58.9	4.6	.7	15,240	-
Warfield (Pond Creek)	2.8	33.3	59.3	4.6	.7	15,450	-

Source: U. S. Bureau of Mines.

Reserves: Coal reserves for Pike County as of January 1, 1948, have been estimated at 5,855.37 millions of short tons by the U. S. Geological Survey. This includes measured, indicated and inferred resources in beds 14 inches or more in thickness.

Petroleum and Natural Gas: Pike County contains part of the Big Sandy gas field which also includes large portions of Floyd, Martin, and Knox Counties. This field accounts for most of eastern Kentucky's annual natural gas production and contains considerable reserves for future yield.

Oil production was first reported in Pike County in 1935. Since 1941 when 174 barrels were produced, there has been a steady increase in production, with the highest total reaching 60,472 barrels in 1958. A total of 34,087 barrels were secured in 1965 with production coming principally from the Devonian shale and Mississippian "Big Lime" and some from the Berea and Maxon.

Glass Sand: The Kentucky Geological Survey's report of a high silica sandstone and conglomerate deposit in the Lee formation (Pennsylvanian) on Pine Mountain near Elkhorn City has opened possibilities for an unlimited source of raw material for glass manufacturers. This formation forms the crest of Pine Mountain beginning near Elkhorn City and extends southwestward into Tennessee. High silica deposits along this crest near Pineville, Cumberland and Whitesburg have also been analyzed. Analyses from seven samples of Elkhorn City deposit show the following ranges.

	SiO ₂	Fe ₂ O ₃	Al ₂ O ₃	TiO ₂	CaO	MgO	Total
Raw	97.78-	.022-	.54-	.06-	.08-	0-	99.0-
	98.57	.061	1.07	.12	.22	.04	99.4
Washed	98.00-	.012-	.56-	.04-	0-	0-	99.1-
	98.72	.043	.95	.10	.19	.03	99.4

Source: Kentucky Geological Survey.

Stone: Limestone occurs in a narrow zone in the southwest margin of the county along the Pine Mountain overthrust fault. The stone is used for concrete aggregate and roadway construction purposes. One quarry was operated in 1964.

Sandstone, possibly suitable for local building construction purposes, is available in large quantities.

Clay: Clay and clay shales suitable for brick manufacture occur in the county, but large commercial deposits have not been reported. Recent investigations indicate the presence of an excellent bloating shale in the Breathitt formation which would make a good lightweight aggregate material.

Kentucky Mineral Production: In 1965 total value of mineral production in Kentucky was valued at \$466,381,000. In order of value, the minerals produced were coal, petroleum, stone, natural gas, sand and gravel, clays, zinc, fluorspar, lead and silver. Value of items that could not be disclosed were cement, ball clay, natural gas liquids and dimension sandstone. There was no reported barite production in 1965 as in 1964. Kentucky ranked second in the United States in the production of bituminous coal, ball clay and fluorspar.

TABLE 17

KENTUCKY MINERAL PRODUCTION, 1965 (1)
(Units in short tons unless specified)

Mineral	Quantity	Value
Clays (2)	1,059,000	\$ 2,580,000
Coal (bituminous)	85,766,000	324,523,000
Fluorspar	31,992	1,485,000
Lead (recoverable content of ores)	756	236,000
Natural Gas (cubic feet)	78,976,000,000	18,638,000
Petroleum, crude (barrels)	19,386,000	55,638,000
Sand and Gravel	6,742,000	6,332,000
Silver (recoverable content of ores - troy ounces)	1,931	2,000
Stone (3)	26,029,000	34,533,000
Zinc (recoverable content of ores)	5,654	1,651,000
Value of items that cannot be disclosed: cement, ball clay, natural gas liquids, and dimension sandstone		20,763,000
Total		\$ 466,381,000

(1) Production as measured by mine shipments, sales, or marketable production (including consumption by producers).

(2) Excludes ball clay, included with "Value of items that cannot be disclosed."

(3) Excludes dimension sandstone, included with "Value of items that cannot be disclosed."

Source: U. S. Bureau of Mines, Minerals Yearbook, 1965.

Water Resources

Surface Water: The Levisa Fork of the Big Sandy River affords the largest supply of surface water in this area. The average discharge of the Levisa Fork at Pikeville is 1,387 cfs (cubic feet per second) (USGS, 28 year record).

Ground Water: The occurrence of ground water is from rocks of the Pennsylvanian, Mississippian, and Devonian systems. This has been summarized in Hydrologic Investigations Atlases HA-10 and HA-36 (USGS) as follows:

PENNSYLVANIAN SYSTEM - Eastern Coal Field

"Where sandstone, siltstone, or conglomerate crops out in broad uplands or in valleys, it yields enough water for domestic use to most drilled wells. A number of wells yield more than 50 gpm for public and industrial supplies. Some water is obtained from limestone and coal beds. Little water is available from shale. Sandstone and conglomerate yield water to numerous springs and seeps, but most of the springs are small and go dry in late summer."

MISSISSIPPIAN AND DEVONIAN - Undifferentiated

"Wells drilled into Mississippian rocks lying below drainage in faulted areas may yield as much as several hundred gallons per minute. Wells that are drilled through the Mississippian rocks down dip from their outcrop on Pine Mountain may yield large quantities of water. Springs from Mississippian rocks, principally limestone, will yield more than 50 gpm; most, however, yield less than 10 gpm. Devonian shales yield small amounts of water to wells or springs."

Because of local variations the above conditions may not apply to any given locality, but should serve only as a guide to the general ground water conditions in these systems.

Forests

There are 429,000 acres of commercial forest land in Pike County, covering 85.3 percent of the total land area. The most abundant species are red oaks, white oaks, yellow poplar, hickories, beech, soft maple, and hard maple.

In Kentucky, within a 50-mile radius of Pikeville, the county seat, there are more than two million acres of commercial forest land. In 1962, 73 million board feet of timber were harvested from this area. Forestry authorities agree that the desirable annual cut should be much larger. The adjacent parts of West Virginia and Virginia are also heavily forested. While some of the timber harvest is used locally, most of it is shipped out of the area for further processing.

Forests of the entire area receive organized protection from fire from the State Department of Natural Resources.

MARKETS

Kentucky's economic growth is credited in part to its location at the center of the Eastern Market Area. A line drawn along the borders of Minnesota, Iowa, Missouri, Arkansas, and Louisiana divides the country into two parts designated the Eastern and Western Market Areas. The Eastern Market Area is smaller in land area, but contains almost 75 percent of the national population.

Kentucky is also at the center of a seventeen state area containing over 2/5 of the nation's population, personal income, and retail sales. This area is composed of those states within an approximate 400-mile radius of the Kentucky border. This is shown in greater detail in the following table.

TABLE 18

CONSUMER MARKET POTENTIAL

	Population Percent of U.S.	Personal Income Percent of U.S.	Retail Sales Percent of U.S.
Alabama	1.8	1.2	1.3
Arkansas	1.0	0.6	0.6
Delaware	0.3	0.3	0.3
Georgia	2.2	1.8	1.9
Illinois	5.5	6.5	6.2
Indiana	2.5	2.6	2.7
KENTUCKY	1.6	1.2	1.3
Maryland	1.8	2.0	1.7
Michigan	4.2	4.7	4.4
Mississippi	1.2	0.7	7.8
Missouri	2.3	2.2	2.4
North Carolina	2.5	1.9	2.0
Ohio	5.3	5.5	5.3
Pennsylvania	5.9	8.6	5.7
South Carolina	1.3	0.9	0.9
Tennessee	2.0	1.4	1.6
Virginia	2.3	2.0	2.0
West Virginia	0.9	0.7	0.7
REGIONAL TOTAL	44.8	42.3	42.2

Sources: U. S. Bureau of Census, Current Population Reports, Series P-25, No. 333, for Population; U. S. Department of Commerce, Survey of Current Business, August 1966 for Income; U. S. Department of Commerce, Census of Business, 1963, "Retail Trade" for Retail Sales.

Per capita personal income in Pike County in 1963 was \$1,020, which was below the state average of \$1,799.* According to the April 1967 issue of Survey of Current Business, per capita income in Kentucky for 1966 was \$2,205.

Retail sales in Pike County in 1966 totaled \$56,550,000.**

*Bureau of Business Research, College of Commerce, University of Kentucky, Kentucky Personal Income 1963, 1965.

**Sales Management, Survey of Buying Power, June 10, 1967.

CLIMATE

The average annual precipitation in Kentucky ranges from 38 to 40 inches in the northern part of the state to 50 inches or more in the south-central part. Late summer is normally the driest part of the year.

Winter is relatively open, with midwinter days averaging 32 degrees in the northern parts to 40 degrees in the southern, for about six weeks' duration.

Midsummer days average 74 degrees in the cooler uplands to 79 degrees in the lowland and southern areas.

The growing season varies from 180 days in the north to 210 in the south. Seasonal heating-degree days average about 4,500 for the state. Sunshine prevails for an average of at least 52 percent of the year and increases to 60 percent or more to the southwest.

Kentucky's climate is temperate. The climatic elements of sunlight, heat, moisture, and winds are all in moderation without prolonged extremes. Rainfall is abundant and fairly regular throughout the year. Warm-to-cool weather prevails with only short periods of extreme heat and cold.

TABLE 19

CLIMATIC DATA FOR PIKEVILLE, PIKE COUNTY, KENTUCKY

Month	Temp. Norm.*	Total	Av. Relative	
	Deg. Fahrenheit	Prec. Norm.* Inches	Humidity Readings** 7:00 A.M. 7:00 P.M. (EST)	
January	27.3	3.58	83	70
February	34.7	3.24	82	63
March	45.2	2.22	81	59
April	52.8	5.32	79	54
May	61.8	.98	85	59
June	71.4	.82	86	62
July	76.4	6.98	89	66
August	73.8	6.08	92	68
September	65.3	5.38	89	64
October	52.1	2.28	88	59
November	45.4	3.57	84	61
December	34.0	3.78	83	65
Annual Norm.	53.4	44.23		

*Station Location: Dewey Dam, Kentucky

**Station Location: Bristol, Tennessee

Length of Record: 7:00 A.M. readings 16 years;
7:00 P.M. readings 16 years.

Days cloudy or clear: (27 years of record) 90 clear, 112 partly cloudy,
163 cloudy

Percent of possible sunshine: (16 years of record) 6.2%

Days with precipitation of 0.01 inch or over: (19 years of record) 133

Days with 1.0 inch or more snow, sleet, hail: (21 years of record) 4

Days with thunderstorms: (21 years of record) 46

Days with heavy fog: (21 years of record) 41

Prevailing wind: (9 years of record) West-southwest

Seasonal heating-degree days: (29 years of record) Approximate long-term means 4,143 degree days.

Sources: U.S. Weather Bureau, Climatological Data - Kentucky, 1966;
U. S. Weather Bureau, Local Climatological Data - Bristol, Tennessee, 1964.

APPENDIX

History	Appendix A
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HISTORY

Pike County, the seventieth county established in Kentucky, dates from 1821. Its territory was taken from Floyd County. Later it gave land to help form Martin County (1870). It lies in the easternmost part of Kentucky and contains 786 square miles. It is the largest county in the state and exceeds the size of Christian County, the next largest, by 60 square miles. Its southeastern boundary runs along the top of the Cumberland Mountains, while the northeastern line follows the Tug Fork of the Big Sandy River. Tug Fork is smaller than Levisa Fork, and according to instructions given to the surveyors who located the state line between Virginia and Kentucky in 1792, it should have followed the latter stream. The Legislative Act stated that the state line should follow the larger stream above the Forks of the Big Sandy. Tug Fork was swollen by heavy rains when the surveyors reached the forks and they followed it. Thus several hundreds of square miles of territory were incorporated in Kentucky by an act of nature. The surface of the county is broken and mountainous, but there is some fertile land in the river valleys. The soil on the mountains is thin. Large deposits of coal, oil, and natural gas are found which, with a large forested area, point to a continued prosperity through their development.

Immigrants came into the Big Sandy Valley as early as the 1780's. By the turn of the century some agitation was done to create a new county to include present-day Pike County. The topography of the area is rugged and this fact postponed the organizing of a county for two decades. Only three houses existed in Pikeville when it became the county seat. For several years there was an uncertainty regarding the survival of both the county and the county seat due to their isolation.

Pike Countians developed into typical mountaineers with local people and local happenings becoming their greatest concern. When the Civil War spread its arms into the area (James A. Garfield, twentieth President of the United States, was sworn in as a General of the Union Army in Pikeville's City Park) some grave developments resulted due to the divided allegiance on the part of its inhabitants. Out of this struggle arose a more deadly war that continued for half a century. At first it centered around the control of political activities, then developed into a war of revenge. It involved most of the people who lived in Pike County, Kentucky, and in Logan County, West Virginia. It began when the Hatfields were accused of crossing the state line into Kentucky to vote in the election of 1882, which the McCoys resented. Tolbert McCoy killed "Big Ellison" Hatfield at a voting place. This act touched off a feud that

was fought in both states and resulted in 65 deaths before it was resolved. Not only were there just a few survivors in these families in the end, but the advent of railroads also caused attention to turn from feuding toward economic development. Many people came into the area to seek economic gains, and a more stable law enforcement program was possible.

Pike County contains the Kentucky portion of the Breaks of the Big Sandy Interstate Park. It has been called the "Grand Canyon of the South," and this is an apt description. It is the largest canyon east of the Mississippi and contains 1880 acres. It has a lodge, souvenir shops, picnicking areas, and a museum. The scene from the Pinnacle includes a vast gorge in a mountain plateau that is rugged, beautiful, and inviting.

Pike County was named for General Zebulon M. Pike, a native of New Jersey. He entered the military at an early age and rose in rank periodically. He led an exploring party in 1805 to locate the source of the Mississippi River. Later he led an expedition into the Southwest through the Louisiana Purchase Territory. He sighted Pikes Peak in Colorado which now bears his name, and continued on to the Rio Grande River where he was captured by the Spanish as an intruder on their lands. The motive behind this incursion into Spanish territory has never been satisfactorily explained. Pike may have been a straying explorer, or he may have been secretly commissioned by the Government to spy on Spanish lands. He was accused of complicity in the Aaron Burr and James Wilkinson plot to possibly detach western lands from the United States, but was exonerated by the Secretary of War, Henry Dearborn. He lost his life in the War of 1812 while assaulting York (now Toronto), Canada. He possessed valor, resourcefulness, and qualities of leadership. He contributed a great deal of information about the west in his An Account of the Expedition to the Source of the Mississippi and Through the Western Parts of Louisiana which was edited and published by Elliott Cones in 1895.

Pikeville, the county seat, is 680 feet above sea level and had a population of 4,754 in 1966. It was named for Zebulon M. Pike, for whom the Pike County also was named. The town lies in a narrow valley and has long and narrow streets. Elijah Adkins donated the land known as the Public Square.

The Levisa Fork of the Big Sandy River flows through it. It has the Administration Offices of the Pikeville terminus of the Chesapeake and Ohio Railway. Pikeville College, a four-year liberal arts college, is located there. The Hotel Harlan Hatcher has an odd assortment of relics on display in its lobby, and its walls are covered with popular bits of rural humor which give pleasure to the reader.

Appendix A

Pike County farmers planted 2,600 acres in corn, 50 in sorghum, and 1,000 in hay in 1964. They also raised 63,400 hens, 4,300 cattle, and 2,900 hogs.

Pikeville had 6 industrial plants and Elkhorn City 1 in 1966. East Kentucky Beverage Company, Incorporated, Coca Cola Bottling Company of Pikeville, and Adams Construction Company, all in Pikeville, are the largest.

Pike County ranked first in the state in 1964 in the total value of mineral production. Of the 615 mines that produced coal 572 were underground operations, 6 were strip mines, and 37 were auger mines. Their total output amounted to 14,836,047 short tons. Eastern Coal Corporation, Kentland Elkhorn Coal Corporation, and Republic Steel Corporation were the leading producers. Crude oil production decreased 3% from the year before but still 37,775 barrels were pumped and 37 new wells were drilled. Johnson Brothers Limestone Company crushed limestone for concrete and roads. More than 500 persons are employed in the gas industry in the area, many of whom live in Pike County. A large deposit of silica sand was discovered in 1958 which is processed in fairly large amounts each year by the Kentucky Silica Products Company.

James M. Rice, George Brown, and David May, who was expelled for aiding the Confederacy in 1862, served in the Lower House of the State Legislature. Kelly Day was the owner and manager of a mercantile establishment which operated in the Big Sandy River Valley for years. Augustus Page served as President of Pikeville College for several years and built the institution into an accredited school of higher learning. James Hunt is a State Senator, William Pauley is Mayor, Charles Lowe is County Judge, Charles Kesee is Sheriff, and Paul Runyon is County Attorney (1966). Carl D. Perkins has served in the United States Congress for several years.

ECONOMIC CHARACTERISTICS OF THE POPULATION FOR
PIKE COUNTY AND KENTUCKY, 1960

Subject	Pike County		Kentucky	
	Male	Female	Male	Female
Total Population	34,032	34,232	1,508,536	1,529,620
EMPLOYMENT STATUS				
Persons 14 years old & over	21,573	22,201	1,036,440	1,074,244
Labor force	12,372	3,039	743,255	291,234
Civilian labor force	12,363	---	705,411	290,783
Employed	10,321	2,894	660,728	275,216
Private wage and salary	8,581	2,008	440,020	208,384
Government workers	763	651	58,275	44,462
Self-employed	965	195	156,582	16,109
Unpaid family workers	12	40	5,851	6,261
Unemployed	2,042	145	44,683	15,567
Not in labor force	9,201	19,162	293,185	783,010
Inmates of institutions	37	15	15,336	8,791
Enrolled in school	3,106	3,200	94,734	97,825
Other and not reported	6,058	15,947	183,115	676,394
Under 65 years old	4,066	14,044	91,626	539,838
65 and over	1,992	1,903	91,489	136,556
MAJOR OCCUPATION GROUP OF EMPLOYED PERSONS				
All employed	10,321	2,894	660,728	275,216
Professional and technical	605	605	46,440	36,879
Farmers and farm mgrs.	61	0	91,669	2,339
Mgrs., officials, and props.	696	120	58,533	10,215
Clerical and kindred workers	517	506	35,711	66,343
Sales workers	492	412	39,837	25,265
Craftsmen and foremen	1,717	8	114,003	2,836
Operatives and kindred workers	5,097	101	140,192	45,305
Private household workers	11	374	1,123	25,183
Service workers	299	538	29,844	40,156
Farm laborers & farm foremen	107	4	33,143	2,046
Laborers, ex. farm & mine	507	8	44,227	1,671
Occupation not reported	212	218	26,006	16,978

Source: U. S. Bureau of the Census, U. S. Census of Population: 1960,
"General Social and Economic Characteristics," Kentucky.

Appendix B

COVERED EMPLOYMENT BY MAJOR INDUSTRY DIVISION
PIKE COUNTY AND KENTUCKY

Industry	Pike County		Kentucky	
	Number	Percent	Number	Percent
All Industries	7,716	100.0	570,303	100.0
Mining and Quarrying	4,694	60.8	28,364	5.0
Contract Construction	346	4.5	47,730	8.4
Manufacturing	256	3.3	231,639	40.6
Food and kindred products	91	1.2	25,034	4.4
Tobacco	2	0	12,113	2.1
Clothing, textile and leather	0	0	36,023	6.3
Lumber and furniture	112	1.5	16,815	2.9
Printing, pub. and paper	24	0.3	13,578	2.4
Chemicals, petroleum, coal and rubber	0	0	19,514	3.4
Stone, clay and glass	27	0.3	7,075	1.2
Primary metals	0	0	11,825	2.1
Machinery, metal products and equipment	0	0	85,773	15.0
Other	0	0	3,889	0.7
Transportation, Communication and Utilities	422	5.5	38,579	6.8
Wholesale and Retail Trade	1,382	17.9	144,499	25.3
Finance, Ins. and Real Estate	216	2.8	25,896	4.5
Services	396	5.1	51,251	9.0
Other	4	0.1	2,345	0.4

Source: Kentucky Department of Economic Security, September, 1966.

MAJOR KENTUCKY TAXES

Corporation Income Tax

The Kentucky corporate income tax is derived from that portion of the corporation's entire net income which is attributable to Kentucky operations. Federal income taxes are allowed as a deduction in arriving at taxable net income to the extent that such Federal income tax is applicable to Kentucky operations. The corporation income tax rate is 5% on the first \$25,000 of taxable net income and 7% on all over \$25,000 taxable net income.

Every corporation whose tax liability will exceed \$5,000 must file a declaration of estimated tax due. For taxpayers using the calendar year accounting period, the declaration must be filed along with 50% of the tax due on June 15th. Additional 25% payments are required on September 15th and December 15th.

Kentucky's portion of taxable corporation income derived from the manufacture and sale of tangible property is determined by applying to net income an average of the ratios of the value of tangible property, payroll, and amount of sales in this state to the total value of tangible property, payroll, and amount of sales of the corporation. In general, this same method is used for allocating taxable income of corporations engaged in other types of business.

Corporation License Tax

Every corporation owning property or doing business in Kentucky must pay a corporation license tax. This provision does not apply to banks and trust companies, foreign and domestic insurance companies, foreign and domestic building and loan associations, and corporations that, under existing laws, are liable to pay a franchise tax.

The license tax return is due on or before the 15th day of the 4th month following the close of the corporation's fiscal year. The tax rate is 70¢ per \$1,000 value of capital employed in this state. The minimum liability is \$10.

Corporation Organization Tax

Domestic corporations having capital stock divided into shares are required to pay an organization tax to the Secretary of State at the time of corporation. The tax is based upon the number of shares authorized:

	Rate Per Share (Par Value)	Rate Per Share (No Par Value)
First 20,000 shares	1¢	1/2¢
20,001 through 200,000 shares	1/2¢	1/4¢
Over 200,000 shares	1/5¢	1/5¢

The minimum tax is \$10. If additional shares are authorized, the tax is computed on the basis of the total number of shares, as amended, and the tax due in excess of that already paid must be paid at the time the amendment to the articles of incorporation is filed.

The tax applies to the capital of foreign corporations in case of merger or consolidation with a Kentucky corporation.

General Property Taxes

Kentucky's Constitution provides that all property, unless specifically exempt, shall be assessed for property taxation at fair cash value. Until 1965, Kentucky courts had consistently held that uniformity of assessments took precedence over fair cash value. However, a 1965 Kentucky Court of Appeals decision overruled this interpretation and set January 1, 1966, as the effective date when all property must be assessed at fair cash value.

In order to minimize the effect of increased assessments the First Extraordinary Session, 1965, of the General Assembly, passed legislation which limits tax revenues received by local jurisdictions to 1965 revenues. An allowance was made by the legislature which permitted all local taxing jurisdictions, after holding a properly advertised public hearing, to increase taxes by no more than 10% per year for the years 1966 and 1967.

State ad valorem tax rates, applicable to the various classes of property, are shown as follows:

	Rate Per \$100 Assessed Value			
	State	County	City	School
Real estate	1 1/2¢	Yes*	Yes*	Yes*
Tangible personal property** (not subject to a specific rate)	15¢	Yes*	Yes*	Yes*
Manufacturing machinery	15¢	No	No	No
Raw materials and products in course of manufacture	15¢	No	No	No
Intangible personal property (not subject to a classified rate)	25¢	No	No	No

*Local rates vary. See the local taxes section of this brochure.

**Includes automobiles and trucks, merchants inventories and manufacturer's finished goods, and business furniture.

Personal Income Tax

Kentucky personal income taxes range from 2% of the first \$3,000 of net income to 6% of net income in excess of \$8,000 after the deduction of Federal individual income tax payments, which is additionally reduced by a tax credit of \$20 for each exemption.

The tax rates on adjusted gross income less deductions are:

Up to	\$3,000	- 2%
Next	\$1,000 or portion thereof	- 3%
Next	\$1,000 or portion thereof	- 4%
Next	\$3,000 or portion thereof	- 5%
In excess of	\$8,000	6%

Sales and Use Tax

A 3% tax is levied upon retail sales and the use or the exercise of any power or right over tangible personal property. Other taxable items include temporary lodgings and certain public services.

The bases of the tax levy are gross receipts from retail sales of tangible personal property and taxable services. Excluded are cash discounts and U.S. excise taxes on sales.

Exemptions important to industry include:

- a. Purchased raw materials, component parts and supplies used in manufacturing or industrial processing for resale.
- b. New machinery and appurtenant equipment for new and expanded industries.
- c. Energy and energy producing fuels, to the extent that they exceed 3% of the cost of production.

Unemployment Insurance Tax

During 1966 this tax will vary from 0.0% to 3.7% of the first \$3,000 of wages paid to each employee depending on the individual employer's past contribution-benefit experience. The 3.7% rate applies only to employers who have a negative reserve balance. An employer new to Kentucky will pay 2.7% for the first three years operation. Kentucky law provides for three alternate rate schedules which are determined by dividing the "benefit cost ratio" (taxable wages for the previous 60 months divided into amount of benefits paid during this period) into the "statewide reserve" ratio (taxable wages for the preceding year divided into the "trust fund" balance). In 1965, the average employer contribution was 1.1% of total covered wages and 1.8% of taxable wages.

KENTUCKY REVISED STATUTES

103.200 to 103.285

REVENUE BONDS FOR INDUSTRIAL BUILDINGS

103.200 Definitions for KRS 103.200 to 103.280. As used in KRS 103.200 to 103.285, "industrial buildings" or "buildings" means any building, structure, or related improved area suitable for and intended for use as a factory, mill, shop, processing plant, assembly plant, fabricating plant, or parking area deemed necessary to the establishment or expansion thereof, and the necessary operating machinery and equipment, or any of these things, to be rented or leased to an industrial concern by the city or county by which it is acquired. (1964)

103.210 Issuance of bonds. In order to promote the reconversion to peacetime economy, to relieve the conditions of unemployment, to aid in the rehabilitation of returning veterans and to encourage the increase of industry in this state, any city or county may borrow money and issue negotiable bonds for the purpose of defraying the cost of acquiring any industrial building, either by purchase or construction, but only after an ordinance has been adopted by the legislative body of the city or the fiscal court of the county, as the case may be, specifying the proposed undertaking, the amount of bonds to be issued, and the maximum rate of interest the bonds are to bear. The ordinance shall further provide that the industrial building is to be acquired pursuant to the provisions of KRS 103.200 to 103.280. (1962)

103.220 Interest on bonds; terms. (1) The bonds may be issued to bear interest at a rate not to exceed six percent per annum, payable either annually or semiannually, and shall be executed in such manner and be payable at such times not exceeding twenty-five years from date thereof and at such place or places as the city legislative body or the fiscal court of the county, as the case may be, determines.

(2) The bonds may provide that they or any of them may be called for redemption prior to maturity, on interest payment dates not earlier than one year from the date of issuance of the bonds, at a price not exceeding 103 and accrued interest, under conditions fixed by the city legislative body or the fiscal court of the county, as the case may be, before issuing the bonds. (1962)

103.230 Bonds negotiable; disposal; private sale, when, payable only from revenue. (1) Bonds issued pursuant to KRS 103.200 to 103.280 shall be negotiable. If any officer whose signature or countersignature appears on the bonds or coupons ceases to be such officer before delivery of the bonds, his signature or countersignature shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until delivery. The bonds shall be sold upon such terms as the city legislative body or the fiscal

court of the county, as the case may be, deems best, or any contract for the acquisition of any industrial building may provide that payment shall be made in such bonds. The issuing authority may sell such bonds in such manner, either at public or private sale, and for such price, as it may determine will best effect the purposes of KRS 103.230 to 103.260; provided, however, that no private or negotiated sale shall be made unless the amount of the issue equals or exceeds \$10,000,000, and unless the business concern which is contracting to lease the industrial building shall have requested in writing, addressed to the chief executive of the issuing authority, that the sale of the bonds shall be made privately upon a negotiated basis. In no event shall any bonds be sold or negotiated on a basis to yield more than six percent, except as provided in subsection (2) of KRS 103.220.

(2) The bonds shall be payable solely from the revenue derived from the building, and shall not constitute an indebtedness of the city or county within the meaning of the Constitution. It shall be plainly stated on the face of each bond that it has been issued under the provisions of KRS 103.200 to 103.280 and that it does not constitute an indebtedness of the city or county within the meaning of the constitution. (1966)

103.240 Use of proceeds of bonds. All money received from the sale of the bonds shall be applied solely for the acquisition of the industrial building and any utilities requisite to the use thereof, and the necessary expense of preparing, printing and selling said bonds, or to advance the payment of interest on the bonds during any portion of the first three years following the date of the bonds. (1966)

103.245 Acquisition of industrial building; power to condemn; procedure. An industrial building within the meaning of KRS 103.200 may be acquired by a city or a county by purchase, gift, or condemnation. Whenever a city or a county shall determine that land or other property, right of way, or easement over or through any property is needed by such city or county, as the case may be, to accomplish the purposes of KRS 103.200 to 103.285, inclusive, it may by ordinance or resolution authorize the purchase or condemnation, in the name of such city or county, of said land or other property, or right of way or easement for such purposes, and may proceed to condemn and acquire such property in the same manner by which an urban renewal and community development agency is permitted and authorized to acquire property under the provision of KRS 99.420, and in accordance with the procedures therein set out, except that all property, rights of way, and easements already held by its owner or lessee for industrial development, shall be exempt from condemnation under this section. (1964)

103.250 Lien of bondholders on building; receiver on default. (1) A statutory mortgage lien shall exist upon the industrial building so acquired in favor of the holders of the bonds and coupons. The industrial building so acquired shall remain subject to the statutory mortgage lien until the payment in full of the principal of the bonds, and all interest due thereon.

(2) If there is any default in the payment of principal or interest of any bond, any court having jurisdiction of the action may appoint a receiver to administer the industrial building on behalf of the city or county, as the case may be, with power to charge and collect rents sufficient to provide for the payment of any bonds or obligations outstanding against the building, and for the payment of operating expenses, and to apply the income and revenue in conformity with KRS 103.200 to 103.280 and the ordinance referred to in KRS 103.210. (1966)

103.260 Application of revenue; charges for use. (1) At or before the issuance of bonds the city legislative body or the fiscal court of the county, as the case may be, shall, by ordinance, set aside and pledge the income and revenue of the industrial building into a separate and special fund to be used and applied in payment of the cost thereof and in the maintenance, operation and depreciation thereof. The ordinance shall definitely fix and determine the amount of revenue necessary to be set apart and applied to the payment of principal and interest of the bonds, and the proportion (if any) of the balance of the income and revenue to be set aside as a proper and adequate depreciation account, and the remaining proportion of such balance shall be set aside for the reasonable and proper operation and maintenance of the industrial building.

(2) The rents to be charged for the use of the building shall be fixed and revised from time to time so as to be sufficient to provide for payment of interest upon all bonds and to create a sinking fund to pay the principal thereof when due, and to provide for the operation and maintenance of the building and an adequate depreciation account, if any depreciation account has been established. (1966)

103.270 Depreciation account. (1) If a surplus is accumulated in the operating and maintenance funds equal to the cost of maintaining and operating the industrial building during the remainder of the calendar, operating or fiscal year, and during the succeeding like year, any excess over such amount may be transferred at any time by the city legislative body, or the fiscal court of the county, as the case may be, to the depreciation account, to be used for improvements, extensions or additions to the building.

(2) The funds accumulating to the depreciation account shall be expended in balancing depreciation in the industrial building or in making new constructions, extensions or additions thereto. Any such accumulations may be invested as the city legislative body, or the fiscal court of the county, as the case may be, may designate, and if invested the income from such investment shall be carried into the depreciation account. (1962)

103.280 Additional bonds. (1) If the city legislative body, or the fiscal court of the county, as the case may be, finds that the bonds authorized will be insufficient to accomplish the purpose desired, additional bonds may be authorized and issued in the same manner.

(2) Any city or county acquiring any industrial building pursuant to the provisions of KRS 103.200 to 103.280 may, at the time of issuing the bonds for such

acquisition, provide for additional bonds for extensions and permanent improvements to be placed in escrow and to be negotiated from time to time as proceeds for that purpose may be necessary. Bonds placed in escrow shall, when negotiated, have equal standing with the bonds of the same issue.

(3) The city or county may issue new bonds to provide funds for the payment of any outstanding bonds, in accordance with the procedure prescribed by KRS 103.200 to 103.280. The new bonds shall be secured to the same extent and shall have the same source of payment as the bonds refunded. (1962)

103.285 Property acquired under KRS 103.200 to 103.280 exempt from taxation. All properties, both real and personal, which a city or county may acquire to be rented or leased to an industrial concern according to KRS 103.200 to 103.280, shall be exempt from taxation to the same extent as other public property used for public purposes, as long as the property is owned by the city or county. (1962)

COMMONWEALTH OF KENTUCKY
DEPARTMENT OF STATE

Secretary of State, Frankfort, Kentucky

INSTRUCTIONS FOR FILING ARTICLES
OF
INCORPORATION FOR FOREIGN CORPORATIONS
IN KENTUCKY

1. Original articles of incorporation and all existing and subsequent amendments to original articles must be filed with the Secretary of State of Kentucky, certified by the Secretary of State of the state of incorporation, as of the current date, in chronological order. A \$25.00 filing fee for original articles and amendments is required. A fee of \$10.00 is required for recording articles and amendments.
2. A statement of corporation designating a process agent and place of business in Kentucky is required, for which the filing fee is \$5.00. Our Constitution requires that the process agent reside at the place of business.
3. Photostatic copies will be accepted for filing and recording, if they are PLAINLY LEGIBLE and in proper legal form with respect to size, durability, etc., and of such size and quality as to permit them to be rephotostated.

For further information write to

Thelma Stovall,
Secretary of State,
Commonwealth of Kentucky.

COOPERATING STATE AGENCIES

As a state, Kentucky realizes the importance of industry in developing her many resources. In addition to the Department of Commerce, which was created for the express purpose of promoting the economic development of the Commonwealth, there are many state agencies actively engaged in programs which, directly or indirectly, contribute materially to the solution of problems which affect our industrial growth. Since it is a statutory function of the Department of Commerce "to coordinate development plans," contact with the following state agencies and others concerned may be established through this agency.

The Kentucky Highway Department, in planning its program of development and expansion, gives every consideration to the needs of existing and proposed industries. During 1966, highway expenditures in Kentucky were at a record high, totaling \$194,500,000. Kentucky, since 1960, has improved 15,500 miles of highway, placing it among the leading states in highway construction.

The Department of Economic Security provides labor market information for the state, giving the latest estimated employment in non-agricultural industries, estimated average hours and earnings of production workers in manufacturing, and estimated labor turnover rates in the manufacturing and mining industries. As an aid to the location of prospective industries, the Department will conduct surveys on labor supply and economic characteristics of specified areas. The Department's Division of Employment Service, with offices in 25 cities in the state, is available to assist in the recruitment of both established and new industries. All local offices are equipped to administer aptitude tests for approximately 800 occupations as a part of the recruitment process, using the General Aptitude Test Battery and certain specific tests.

The Kentucky Department of Labor has been highly successful in its relations with both management and labor. Representatives of this department are available at all times to consult with industries on any matter in which they can be of service.

The Kentucky Department of Revenue offers the services of its tax consultants to industries seeking locations within the state, as well as to resident industries.

The Division of Industrial and Technical Education, Kentucky Department of Education, can assist industry through its area vocational-technical education school system and permanent extension centers.

The Kentucky Department of Commerce takes pride not only in the services it has to offer to industries seeking locations in Kentucky, but in the service it attempts to render on a continuing basis to existing industry.

COMMONWEALTH OF KENTUCKY
DEPARTMENT OF HIGHWAYS POLICY ON
INDUSTRIAL ACCESS ROADS

Under established and necessary policies and within the limits of funds available for this purpose, the Kentucky Department of Highways will cooperate in constructing or improving access roads to new industrial plants, subject to the following:

1. Before the Department will approve any project, there must be a definite assurance given to the Department by the Department of Commerce that the new plant will be built.
2. The length of the project must be feasible as well as reasonable and the cost justified on a cost benefit ratio.
3. The necessary rights of way will be furnished without cost or obligation to the Department of Highways, whenever possible.
4. If approved, access roads will be built only from the nearest highway to the property line of the company. When possible, existing roads will be improved rather than new roads built.
5. No roads will be built that will serve solely as private driveways on plant property. No parking lots are to be built.
6. No project is to be given final approval prior to authorization by the Commissioner of Highways. No other person is authorized to make a commitment for the Department of Highways.

Mitchell W. Tinder
Commissioner of Highways
Commonwealth of Kentucky